



# Presentation to Joint Legislative Transportation Oversight Committee

Roberto Canales, PE  
Secretary's Coordinator of Strategic Initiatives  
January 13, 2011

# Overview of State Logistics Initiatives



## How we got here:

- History of Statewide Logistics Initiatives
- Logistics Coordinating Council (LCC)
- Reorganization/Transfer efforts
- Governor's Logistics Task Force (GLTF)
  - Seven Portals Study
  - North Carolina Maritime Strategy



# STATEWIDE LOGISTICS PLAN FOR N.C.

**2007**

- House Bill 1005: creates “Statewide Logistics Plan” study by OSBM

**2008**

- Results of the “Statewide Logistics Plan” study presented to General Assembly

**2009**

- H1355 (McComas): Study NCRR/GTP/NCSPA
- Executive Order 32: creates “Governor's Logistics Task Force” [LTF] (December)





# STATEWIDE LOGISTICS PLAN FOR N.C.

2010

- LTF begins meeting (February)
- Senate Bill 900: Directed LTF to examine consolidation of logistics assets—NCRR, NCSPA, and NCGTP
- LTF/NC DOT contract with NCSU to complete *Seven Portals Study*

2011

- Executive Order 85: creates “Logistics Coordinating Council” [March]
- *NC Maritime Strategy* study begins [May]
- NCGA passes Session Law 2011-145 and 2011-340 realigning NC Ports and NC GTP under DOT [June]
- LTF and DOT work with NC East Military Growth Task Force’s *Defense Logistics Initiative* project [yearlong]

2012

- *NC Maritime Strategy* study completion (March)
- LTF completion (March)
  - *Seven Portals Study* will be incorporated into LTF Final Report







# STATEWIDE LOGISTICS PLAN FOR N.C.

## History of Statewide Logistics Initiatives

- *2008 Statewide Logistics Plan—directed by General Assembly; contracted by OSBM with ITRE*
  - Recommended that state should create a logistics entity combining infrastructure and investments
  - Led to the creation of the Governor's Logistics Task Force (Executive Order 32)
  - Also influenced creation of the State Logistics Coordinating Council (Executive Order 85)





# STATEWIDE LOGISTICS PLAN FOR N.C.

## Governor's Logistics Task Force

- Established by Executive Order 32
- Lieutenant Governor Walter Dalton appointed as Chair
- The Task Force is made up of 30 members representing both the private and public sector
  - They include:
    - Al Delia, Governor's Senior Policy Advisor—Vice Chair
    - Secretary Gene Conti, NCDOT
    - Secretary Keith Crisco, NC Commerce
    - Secretary Dee Freeman, NCDENR
    - General Assembly members
    - Local Government Representatives
    - Logistics and Freight Business Leaders





# STATEWIDE LOGISTICS PLAN FOR N.C.

## Task Force Mission and Goals

The mission of the task force is to strategically create jobs and recruit industry by developing an efficient and cost effective vision for the seamless movement of people, goods and information throughout the state of North Carolina.







# STATEWIDE LOGISTICS PLAN FOR N.C.

## Task Force Statewide Outreach

As a part of its work, the Task Force has held meetings in each of the state's seven economic development regions.







# STATEWIDE LOGISTICS PLAN FOR N.C.

## Governor's Logistics Task Force Reports

- August 2010 Report to Governor
- January 2011 Report to the General Assembly
- February 2011 Report to the Governor
- November 2011 Report to the Governor—Request for an extension of the Task Force until March 31, 2012
- \*\*March 2012 Report to the Governor—Task Force Final Recommendations





# STATEWIDE LOGISTICS PLAN FOR N.C.

## Seven Portals Study

### Idea:

- Assess possible locations for transport-driven logistics portals statewide
- Base them on the seven economic regions
- Examine modal connections, land availability, economic growth impact potential, feasibility, benefits, up-fit costs, governance, partnerships
- Do not reinvent the wheel—work with MPOs/RPOs/Regional Partnerships

### Themes:

- From our back yard to your doorstep, worldwide
- Easy and affordable access to transportation

### Result:

- Feasibility assessment (economics, land use, modal connections, supporting commercial, educational and cultural activities)

### Intended impact:

- Support the economy-based enterprises (jobs) of the region
- Enhanced logistics connectivity
- Improved, integrated, statewide transportation support





# STATEWIDE LOGISTICS PLAN FOR N.C.

## North Carolina Maritime Strategy Study

- Common theme across state was the need for a port presence in North Carolina
- Need for a third-party assessment of the maritime economy in the state was critical
- Task Force recommended that NCDOT execute a contract
- NCDOT executed a contract with AECOM, URS, and Eydo

NORTH CAROLINA  
**MARITIME** Strategy







# North Carolina Maritime Strategy Study

- The study is coordinated by an Executive Team
- Input is received from an Advisory Council which is made up of Public and private sector industry representatives [shippers, shipping lines, trucking, railroad, agricultural and manufacturing interests], along with government, policy, academic and community representatives
- The study was also directed to incorporate the directive of Executive Order 99 into its work





# STATEWIDE LOGISTICS PLAN FOR N.C.

## Task Force Next Steps

Prior to its completion on March 31<sup>st</sup>, 2012, the Task Force will complete the following tasks in an effort to produce comprehensive recommendations:

- Review of the final recommendations of the *Seven Portals Study*
- Review of the recommendations of the Maritime Strategy Study
- Review the findings and recommendations of the Military Growth Task Force's Defense Logistics Initiative study
- Review of information presented through its statewide outreach efforts





# STATEWIDE LOGISTICS PLAN FOR N.C.

## **Military Reset Study/Defense Logistics Initiative**

- Study regarding the maintenance, repair, and reset of military equipment (ground force specific)
- Developed by the NC Eastern Region Military Growth Task Force
- Study is working in partnership with the Governor's office
- DOT has supported the initiative







# STATEWIDE LOGISTICS PLAN FOR N.C.

## State Transportation Logistics Coordinating Council

- Created by Executive Order 85: [Signed March 25, 2011]
- Membership:
  - Secretary of Transportation (Chair)
  - Executive Director of the North Carolina Global TransPark
  - Chief Executive Director of the North Carolina State Ports Authority
  - President of the North Carolina Railroad Company
  - Other persons as determined necessary by the Secretary





# STATEWIDE LOGISTICS PLAN FOR N.C.

## State Transportation Logistics Coordinating Council

- The Council is tasked with:
  - Identifying areas for cooperation among the State's transportation logistics entities, including improving the State's transportation services
  - Coordinating on projects to create or expand companies in North Carolina or to attract companies to the State
  - Sharing of personnel and resources to the maximum extent practicable.
- To date, the Council has met once and staff is developing information for the group's consideration related to numerous projects and directives communicated by the group





# STATEWIDE LOGISTICS PLAN FOR N.C.

## DOT—Commerce Coordination

- NCDOT works to support Commerce and local economic developers in their industrial recruitment efforts
- Extensive work with the state's seven economic development regions—ex. Logistics Task Force statewide outreach efforts
- DOT/Commerce Liaison







# STATEWIDE LOGISTICS PLAN FOR N.C.

## Logistics Agency Consolidation

- The General Assembly, Logistics Task Force and the Governor all recommended consolidation of the state's logistics assets
- The General Assembly in 2011, realigned both the North Carolina State Ports Authority and the North Carolina Global TransPark under the authority of DOT
  - NCSPA: Session Law 2011-145 (Section 14.6 (a) thru (k))
  - NCGTP: Session Law 2011-340





# STATEWIDE LOGISTICS PLAN FOR N.C.

## NC Ports Realignment

- Under the Type 2 transfer, Authority required to use state human resources and fiscal/budgeting systems[Session Law 2011-145 Section 14.6(a)]
  - *The North Carolina State Ports Authority shall use the State's budgeting, accounting, and human resources systems and shall comply with laws and policies related to submitting budget requests to the Office of State Budget and Management.*
- Realignment of the Authority within DOT and under the direct supervision of the Secretary of DOT [Session Law 2011-145 Section 14.6(h)]
  - *The North Carolina State Ports Authority is hereby created within the Department of Transportation and shall be subject to and under the direct supervision of the Secretary of Transportation. It shall be governed by a board composed of nine members and hereby designated as the Authority. Effective July 1, 1983, it shall be governed by a board composed of 11 members and hereby designated as the Authority.*





# STATEWIDE LOGISTICS PLAN FOR N.C.

## Logistics Agency Consolidation

- Impacts on reporting relationships/coordination
  - Develop and understand operational efficiencies [transition work teams]
  - Develop strategic plans, mission and goals in line with DOT
  - Incorporate agencies into existing DOT processes
  - Existing reporting and operational arrangements remain in place but with greater oversight by the Secretary of Transportation







# STATEWIDE LOGISTICS PLAN FOR N.C.

## **NCGTP Transition Process**

- Further development of existing relations
- Further integration of processes
- Work to refine the GTP Strategic Plan (2010)—reviewed by NCGA PED, but with suggestions for further development (i.e. measurable deliverables, definition of “financial health”, SWOC analysis)





# STATEWIDE LOGISTICS PLAN FOR N.C.

## NC Ports Transition Process

### 3 Prong Process: NCDOT/NCSPA Workteams, Board Interaction, Strategic Planning

- **Board Interaction**
  - 8 member subcommittee: 4 BOT members , 4 NCSPA members[future plans to incorporate GTP board as well]
  - Jan 10<sup>th</sup>: Initial Meeting
- **Workteams**
  - 27 in total– Made up of both NCDOT and NCSPA staff (roughly 60 people) representing all areas of both organizations
  - Groups are working to find areas of efficiency and developing relationships with their respective counterparts
- **Strategic Planning**
  - Development of an integrated and comprehensive strategic business plan with measurable deliverables
  - 5/10 Year Workplan
  - NCDOT 2040 Strategic Plan





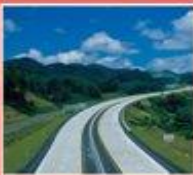
# STATEWIDE LOGISTICS PLAN FOR N.C.

## Next Steps

- Create a statewide freight logistics authority
- Blend best practices/parts of state agency and enterprise agency
- Create efficiencies through joint use of resources
- Create common statewide priorities and direction
- Avoid the creation of additional, unnecessary bureaucracy







# STATEWIDE LOGISTICS PLAN FOR N.C.

## OUR MISSION

*Connecting people and places  
in North Carolina – safely and  
efficiently, with accountability  
and environmental sensitivity*

## OUR GOALS

- Make our transportation network **safer**
- Make our transportation network move people and goods more **efficiently**
- Make our infrastructure **last longer**
- Make our organization a place that **works well**
- Make our organization **a great place to work**



